
SENATE BILL No. 521

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-23.

Synopsis: School corporation reorganization. Requires school corporations with an average daily membership (ADM) of less than 500 students to merge with another school corporation or school corporations. Provides for the preparation of a comprehensive reorganization plan by a county committee, public hearings on the plan, and approval by the state board of education. Provides for the development of a comprehensive reorganization plan by the state board of education for school corporations that fail to reorganize by 2013. Requires the department of education (department) to develop standards for educational opportunity and operational efficiency for school corporations. Requires a school corporation with an ADM of greater than 499 students and less than 1,000 students to demonstrate to the department that it meets the standards, and, if unable to do so, to merge with another school corporation or school corporations. Provides that the reorganization provisions do not apply to a charter school.

Effective: July 1, 2009.

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January 15, 2009, read first time and referred to Committee on Education and Career Development.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 521

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 20-23-17 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]:

4 **Chapter 17. Reorganization of School Corporations**

5 **Sec. 1. This chapter does not apply to a school established under**
6 **IC 20-24.**

7 **Sec. 2. Before July 1, 2013, a school corporation:**

8 (1) with an ADM on June 30, 2009, of less than five hundred
9 (500) students shall;

10 (2) with an ADM on June 30, 2009, of greater than four
11 hundred ninety-nine (499) students may; or

12 (3) that does not operate at least one (1) school building shall;
13 reorganize by merging with another school corporation or school
14 corporations located in the same county as the school corporation
15 that is reorganizing under this chapter.

16 **Sec. 3. Except as specifically provided in this chapter,**
17 **IC 20-23-4-2 through IC 20-23-4-18 and IC 20-23-4-24 through**



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IC 20-23-4-25 apply to a reorganization under this chapter.

Sec. 4. A comprehensive plan must provide for the members of the governing body of the reorganized school corporation to be elected at the general election.

Sec. 5. (a) Except as provided in subsection (b), in a reorganization under this chapter, a school corporation may, but is not required to, close school buildings.

(b) A reorganized school corporation may not close any high school in the five (5) year period following the implementation of the comprehensive plan if the closing is a direct result of the implementation of the comprehensive plan.

Sec. 6. A comprehensive plan must provide that money saved in administrative costs through reorganization is used for classroom and teaching expenses.

Sec. 7. (a) Not more than ninety (90) days after a comprehensive plan has been approved by the state board, the governing body of each affected school corporation must vote to approve or reject the comprehensive plan.

(b) If each governing body approves the comprehensive plan, the plan may be implemented according to the timetable included in the plan.

(c) If one (1) or more governing bodies rejects the comprehensive plan, the state board shall develop a reorganization plan for the school corporations.

Sec. 8. This section applies if a governing body does not develop a reorganization plan under this chapter that is approved by the state board and is scheduled to be in effect before July 1, 2014. After June 30, 2013, the state board shall develop a reorganization plan for a school corporation to which this chapter applies and require the governing body to implement the plan.

Sec. 9. The department, the department of local government finance, and the state board of accounts shall take appropriate actions to carry out this chapter.

SECTION 2. IC 20-23-18 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 18. Reorganization of School Corporations: Educational Opportunities and Operational Efficiency

Sec. 1. This chapter does not apply to a school corporation with an ADM on June 30, 2009, of greater than four hundred ninety-nine (499) students and less than one thousand (1,000) students that voluntarily reorganizes under IC 20-23-17.

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1 **Sec. 2. Not later than June 30, 2010, the department shall**
 2 **establish standards in the following areas:**

3 **(1) Educational opportunity.**

4 **(2) Operational efficiency.**

5 **Sec. 3. In establishing standards for educational opportunity**
 6 **under section 2 of this chapter, the department shall consider at**
 7 **least the following educational opportunities:**

8 **(1) Courses and extracurricular opportunities in foreign**
 9 **languages, mathematics, and sciences.**

10 **(2) College level or dual credit courses, advanced placement**
 11 **courses, and international baccalaureate courses.**

12 **(3) Courses that are in addition to the minimum standards**
 13 **established by the department and state board for all school**
 14 **corporations.**

15 **(4) Any additional opportunities the department considers**
 16 **representative of opportunities offered by school**
 17 **corporations.**

18 **Sec. 4. In establishing standards for operational efficiency under**
 19 **section 2 of this chapter, the department shall:**

20 **(1) determine the extent to which school corporations spend**
 21 **general fund money for classroom instruction and activities;**
 22 **and**

23 **(2) establish an acceptable average percentage of classroom**
 24 **spending for a school corporation.**

25 **The standards established under section 2 of this chapter may**
 26 **include additional measures as determined by the department.**

27 **Sec. 5. This section does not apply to a school established under**
 28 **IC 20-24. Not later than December 31, 2011, a school corporation**
 29 **with an ADM on June 30, 2009, of greater than four hundred**
 30 **ninety-nine (499) students and less than one thousand (1,000)**
 31 **students must demonstrate to the department, in the manner**
 32 **determined by the department, that the school corporation meets**
 33 **the standards for both educational opportunities and operational**
 34 **efficiency established by the department under section 2 of this**
 35 **chapter.**

36 **Sec. 6. This section does not apply to a school established under**
 37 **IC 20-24. A school corporation that is unable to demonstrate to the**
 38 **department that it meets the standards for educational**
 39 **opportunities and operational efficiency shall reorganize under**
 40 **IC 20-23-17. A reorganization under this section must take effect**
 41 **before January 1, 2014.**

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